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September 11, 1995

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Office of the Secretary
Federal Communications Commission
Washington, D.C. 20554

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SEP 12 1995

RE: CC Docket No. 95-116
RM 8535

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Dear Sir:

Enclosed are an original and nine copies of **COMMENTS OF MISSOURI PUBLIC SERVICE COMMISSION** for filing in the above-referenced matter.

Please return the extra file stamped copy in the enclosed self-addressed, self-stamped envelope. Thank you for your attention to this matter.

Sincerely,

Roger W. Steiner
Assistant General Counsel
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Enclosures

cc: Policy and Program Planning Division
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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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SEP 12 1995

FCC MAIL ROOM

In the Matter of)
)
Telephone Number Portability) CC Docket No. 95-116
) RM 8535

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COMMENTS OF

THE MISSOURI PUBLIC SERVICE COMMISSION

In its Notice of Proposed Rulemaking (NPRM), the Federal Communications Commission (FCC) requested comments concerning aspects of telephone number portability, including service portability, service provider portability and geographic portability. The Missouri Public Service Commission (MoPSC) supports the concept of service portability, and believes that many of the service portability objectives may be achieved through market forces. The MoPSC believes that service provider portability is vital for future competition in local exchange service, and will require positive actions on the national and state level to ensure development in a timely manner.

The MoPSC supports the development of a cost effective and manageable geographic number portability system, but questions the focus on national portability when basic issues such as potential demand remain unresolved. The MoPSC suggests that the current network architecture is capable of providing options for geographic portability which may provide a smooth transition to national portability while allowing the investigation of critical questions of cost and demand practicality.

I. SERVICE PORTABILITY

The MoPSC supports the concept that telephone customers should be able to change and upgrade their service without changing their telephone numbers. A local exchange carrier (LEC), trying to market additional services should realize that it must make such service upgrades as easy and seamless to the customer as possible, thus not requiring telephone number changes. To some extent, the LEC's customer focus would address service number portability.

The FCC explicitly requested comment on Integrated Services Digital Network (ISDN), which provides a special case. This non-basic service, used by a limited number of customers, provides high speed, high volume data transfer and can only currently be provided from a limited number of switches. The expense of upgrading each switch in each exchange to provide ISDN, where only a limited number of customers demand such service, may not be cost effective. With this service, and other special services, it may very well be preferable to provide special routed connections for the few demonstrated customers at a comparable rate to that of local ISDN until sufficient demand is demonstrated.

The rise of service provider number portability may put additional competitive pressure on LECs to provide service portability.

II. SERVICE PROVIDER NUMBER PORTABILITY

The MoPSC recognizes that service number portability is already a concern in some states and is likely to become a highly contentious and controversial issue as local exchange competition begins to develop. The deployment of service provider number portability will undoubtedly foster competition in the provision of local telephone service. The Commission should take steps

to remove the formidable barriers to local competition. Lack of service provider number portability is such a barrier.

Since service provider number portability may be implemented as local competition develops on an exchange by exchange basis, the Commission should establish broad guidelines that allow individual solutions to be reached in the states as needed. Such guidelines would allow customers to maintain their current number regardless of which company provides service.

III. GEOGRAPHIC NUMBER PORTABILITY

The MoPSC is concerned that geographic telephone number portability has potentially the greatest cost and the least understood demand and benefits of the three variations on number portability requested in this NPRM. While there are several trials underway to determine the different configurations and costs of providing geographic portability, the options being considered all address the same common problems. If all numbers in a certain geographic area are to be portable, then a common data base must be maintained and all calls must be able to efficiently access that data base. As the geographic area of portability expands, it appears that the use of existing resources and complexity of the network architecture would also grow geometrically. The issues of control, ownership, maintenance and interconnectability of data bases would increase as the system(s) become larger and more complex. Also, identifying and billing toll charges is a special concern in any system of geographic portability.

The MoPSC believes that the lack of a known or demonstrated demand for geographic portability is especially troubling. A telephone number communicates certain information to users of the modern telephone system. The geographic area code, NPA, identifies the section of the country being called, perhaps even the city. The caller recognizes that there are going to be toll

charges and probably has some understanding of the magnitude of those charges. Concerning calls around a more localized area, the NXX code (first three digits of the local seven digit telephone number) reveals the area, perhaps a town or even part of a town being called. Again, the expectancy of toll charges would be recognized from the number being called. Some of this customer information would need to be replaced when NXX codes and NPA codes lose their current identification. A system which would permit customers dialing local numbers (seemingly in their home NPA) to incur toll charges without their knowledge due to geographic portability is inappropriate.

The benefits of geographic number portability over significant distances are unclear. Only a relatively few customers may benefit from large distance geographic portability. Those interested customers may only be companies and individuals who explicitly wish to not have an identifiable geographic location. While undoubtedly there are some subscribers that would find benefit in suppressing their location, it is not clear that this value would extend to any significant portion of the population. It is quite possible that this portability may already be available to customers through the national 800 service network.

There may be more demand for geographic number portability on a smaller scale than national, state or area code wide. Much business and residential relocation is over relatively short distances. Telephone number portability over these shorter distances may currently be possible for a significant and growing portion of the population using the existing telephone network configuration.

The telephone industry generally has been replacing small free standing exchange switches with remote subtended units tied to larger and more modern central exchanges, currently referred to as a host/remote configuration. The old network of each individual exchange being a free

standing switch is quickly fading. Improved technology is dictating a more efficient and modern network which provides users with newer services and companies with cost savings from the economies of centralized operations.

In Missouri, there are currently about thirty-one host/remote exchange groups with an average of about nine remote switches per host - the largest being twenty-four remotes. Typically, the host is located in a larger "hub" town with the surrounding rural exchanges being served via remote switches. Currently about one-third of Missouri telephone subscriber lines are in these host/remote exchange arrangements. With complete state-wide modernization scheduled, host/remote coverage is projected to increase to as much as 70% of the total number of Missouri telephone lines.

Thus, ready-made groups of exchanges capable of providing number portability exist today. This evolutionary type of geographic portability may be an appropriate low cost method of actually determining the demand for the service. One added advantage is that the telephone numbers committed to rural exchanges with under-utilized NXX codes can now be re-deployed within the individual host/remote systems. Each exchange, whether functioning as a remote or not, is currently assigned a minimum of one NXX code. This minimum of 10,000 telephone numbers per exchange results in only a 20% effective utilization of available numbers in rural areas of the state. In a host/remote situation, excess telephone numbers could be moved elsewhere within the group. The increased efficiency of telephone number usage would provide some relief to the NPA exhaust problem.

There is an additional development that may provide for regional geographic telephone number portability. The Advanced Intelligent Network (AIN) is configured with regional (state or multi-state) data bases that are largely independent of central office switch type. The AIN is

designed to allow a variety of services to be provided to individual customers, and it is entirely possible that number portability could be available through this system. If so, regional geographic portability (throughout a state or grouping of states) could be an outcome of the industry deploying new services to meet economic demand. AIN is a potential vehicle to test the demand for regional portability.

Considering the unknown level of demand for portability between locations not having any common local or regional calling scope, the extent of geographic number portability should be carefully considered. At this time it is premature to consider a national number portability system. Available telephone architecture is in place to test demand for portability in regional or smaller multi-exchange areas.

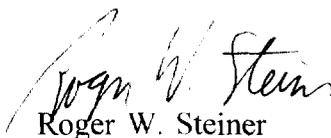
If the demand is demonstrated for a wider range geographic portability, then the 800 system may serve as a model. Perhaps the dedication of an NPA(s) to those customers desiring and willing to pay for wide distance portability is appropriate. These new codes could then convey the information being lost in conversion to full portability of existing codes. The provision of number portability may appropriately be handled as a competitive service.

IV. THE ROLE OF THE FCC

The MoPSC believes the FCC can and should play a crucial role in encouraging competitive solutions where possible, removing barriers to competition where necessary and facilitating and coordinating the development of ideas to address current numbering portability issues. Service portability may require relatively little intervention. Service provider portability may require the more active approach of removing anti-competitive barriers to entry. As local

competition is introduced at the exchange level, the FCC should provide broad regulatory support by the removal of barriers to competition. Geographic number portability is potentially the most expensive type of portability and at the same time the one with the greatest unknowns involving practicality, including cost and demand. The MoPSC believes the Commission should encourage development of geographic portability trials in smaller-than-national systems to better understand the feasibility, cost and demand.

Respectfully submitted,


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